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FCI COUNTY PROCEDURE MANUAL

PART I. ✓ COUNTY ACTUARIAL PROCEDURE

This portion of the procedure is applicable in all counties beginning with 1950 crop, for use in establishing coverages and premium rates under the area plan. It is designed to outline actuarial policy and work that is applicable to all commodities. It will remain in effect until revised or superceded. Supplemental instructions for the various commodities giving details applicable only to the commodity will be issued as needed to supplement this procedure.

SECTION I. GENERAL

A. ACTUARIAL POLICY

One of the major requirements of a successful insurance program is a sound actuarial basis. This is as true with respect to Federal Crop Insurance as for any other type of insurance.

The Crop Insurance Act provides that the Corporation fix premium rates sufficient to cover claims for crop losses and to establish a reasonable reserve. It is the policy of the Corporation to incorporate in the county premium rate the insurance experience of the county. Since actual crop insurance experience in the county will determine the premium rate producers will pay in future years it is highly desirable that a sound actuarial base be developed.

It is to the advantage of the county to build up an adequate reserve of premiums over losses so that premium rates will not fluctuate from year to year. If the accumulated balance of premiums over indemnities is deemed large enough to cover the greatest loss that is likely to occur in any year, a discount in premium will be made to all producers who were insured the year previous to the year the discount will become effective.

A sound actuarial basis for insuring any crop requires: (1) elimination of all poor risks, (2) an accurate classification of land in the county on the basis of productivity of the land, (3) establishing a premium rate on all areas of land adequate to cover the risk of insuring the crop, and (4) distribution of the insurance business over all insurable areas of the county so as to get the best possible distribution of risk.

The area plan of recording insurance coverages and premium rates was developed to simplify the establishing and maintaining of the bases of insurance in the county. Individual farm yields which were used to determine coverages under the former listing sheet method are no longer available for most commodities. Also under the former method a considerable amount of appraised production was reflected in individual production records. Often such production was not properly evaluated which resulted in a wide variation in coverages from farm to farm without reasonable justification for such variation. This plan



eliminates the necessity of maintaining records of farm reconstitutions. This plan is more permanent and, therefore, better suited for the continuous contract being offered on most commodities. It also simplifies the work of revising coverages and premium rates that may become necessary in future years.

B. FORMS FOR RECORDING AREAS, COVERAGES AND PREMIUM RATES

(1) Form FCI-33- "Crop Insurance Map"

This is the form used to record the land in each coverage and rate area and also for designating unclassified land. The kind of map best suited for this purpose will vary according to type of insurance program, number of areas, uniformity of land in the county, etc. The State Director and the county committee will determine which type is best suited for the county. The following types are suggested:

- (a) County Engineer's Map.
- (b) County Plat Map.
- (c) Aerial Photo-indexes.
- (d) Aerial Photo enlargements.

(2) Form FCI-34- "County Summary of Coverages and Premium Rates by Areas."

This form shall be used for controlling the insurance coverages and premium rates per acre established for the areas and for adjusting such coverages and premium rates to the county average coverage and county average premium rate.

(3) Form FCI-35- "County Actuarial Table."

This form shall be the official form for recording area coverages, area premium rates, fixed price, type of insurance, etc.

(4) "Map of Crop Insurance Experience."

This form is an outline of the county showing the approximate location of insured farms and indemnified farms each year the insurance program was in effect in the county since 1945.

Commodity coverage and rate procedures for 1948 and 1949 provided for preparing "Maps of Crop Insurance Experience," for each year the insurance program was in effect 1945 through 1949. In counties where insurance is reinstated or for any other reason the maps for prior years have not been prepared a map shall be prepared as follows for each year an insurance program was in effect beginning with 1945.

A County Engineer's Map or an accurate sketch map showing township, communities, major roads, streams, etc., may be used for this purpose. The approximate location of participating farms shall be identified on the map by a dot (•) and indemnified farms shall be further identified by encircling the dot (⊙). Plotting on a sample bases may be done if at least 500 farms were insured in which case the sample shall contain at least 250 farms. If a sample is used the same farms should be used in plotting loss and insured farms. Maps for future programs shall be prepared each year as provided in Section V.



C. LAND PHYSICALLY LOCATED IN AN ADJOINING COUNTY.

Land physically located in an adjoining non-insurance county may be insured where the land adjoins and is a part of a farm located within an insurance county and such land is included within an area identified on Form FCI-33- for the insurance county. For this purpose, a farm shall be considered as located in the county in which the principal dwelling is located or if there is no dwelling thereon, in the county where the major portion of the land is located. If under this definition, a farm is located in a non-insurance county, only that part of the farm lying within the insurance county will be included on the Crop Insurance Map (FCI-33-). Generally, the same policy will be followed in adjoining insurance counties except that in these counties great care should be exercised to see that the boundary lines between the counties are in exact agreement to prevent duplicate listing.

D. ROUNDING OF FRACTIONS.

Fractions resulting from computations shall be rounded as follows: Computations shall be carried one digit beyond the digit to be rounded. If the last digit is 1, 2, 3 or 4 the rounding shall be downward but if such digit is 5, 6, 7, 8 or 9 the rounding shall be upward.

SECTION II. ELIMINATION OF POOR INSURANCE RISKS

A. INELIGIBLE PRODUCERS

In most counties having a crop insurance program for several years, experience reveals that loss claims have been paid to certain producers much more frequently than would be expected in light of prevailing crop conditions. Since the actuarial policy provides for building future premium rates from experience these losses are paid by other producers in the county. In order to have a sound insurance program with lowest possible premium rates it is essential that all such producers be placed on a "List of Ineligible Producers."

To aid in preparing the "List of Ineligible Producers" the State Director will prepare a tentative list for each county. The names on the tentative list will include producers on the list the previous year plus any other producers the Director thinks should be included on the list because of losses paid or from information secured regarding the producers' farming operations when inspecting insured crops or adjusting losses. The tentative list will, therefore, be made up largely from producers who have previously been insured.

The county committee with the State Director (or Supervisor) will carefully review the tentative list. The committee may recommend that certain names be deleted from the list or other names added. Since the tentative list is made up to a large extent from producers previously insured it is important especially in new insurance counties or counties with only few years experience that the committee review the names of other producers in the county to add to the list. Insurance should not



be offered any producer who follows poor farming practices, questionable business practices (such as may have been experienced in dealing with the producer under other phases of the Agricultural Farm Program) or any other condition detrimental to a sound insurance program.

Experience has shown that it is hard to eliminate all undesirable risks in the short time usually devoted to developing the county actuarial data. This should be a year round job. The committee should always be on the lookout for undesirable risks and assemble data which would be helpful in perfecting future lists.

The official "List of Ineligible Producers" for each year will be prepared by the State Director. A copy of the list for each year will be made available to the county committee. Additional names may be added to the list for any year any time prior to acceptance of applications. Producers on the list should not be contacted by salesmen when soliciting applications or no correspondence or publicity should be directed to such producers.

#### UNCLASSIFIED LAND.

In most counties there are areas of land on which the risk of growing the insured crop is so great or so uncertain that a sound insurance program cannot be operated. Such land should be eliminated from the insurance program by designating it as "unclassified". Unclassified land should include any land on which (1) it is impossible to measure the insurance risk involved, over and above that of the average land in the county, or (2) insurance experience has been or is likely to be so unfavorable as to preclude the operation of a sound insurance program. This would include land subject to conditions such as severe wind erosion, frequent flood, poor drainage, severe infestation of noxious weeds, known soil deficiencies, etc.

Also land subject to a change in conditions (that would make production of the crop more hazardous or risk of loss unmeasurable), such as construction of dams, levees, or dikes, etc., should be included.

Land on which insurance will not be offered shall be outlined on the "Crop Insurance Map", Form FCI-33- and shall be identified as unclassified by drawing diagonal lines across the area, (//////////).

#### SECTION III. DETERMINATION OF COVERAGE AND PREMIUM RATE AREAS

##### A. COUNTIES IN WHICH THE AREA PLAN WAS ESTABLISHED IN PRIOR YEARS.

This subsection A is applicable only in counties where coverages and premium rates were established on the area plan for the prior year. Such counties may ignore subsection B of this section. Counties establishing coverages and premium rates on the area plan for the first time may ignore this subsection A.



1. Revision in Coverages and Premium Rate Areas.

For most insured commodities, insurance is written on a continuous contract. This makes it very important that revisions in coverages and premium rates be held to a minimum. Since it is not known who will have an interest in the crop planted on any land for which the coverage or premium rate is changed, any change in the area determination necessitates informing all producers that changes have been made and inviting their inspection of the Crop Insurance Maps to determine coverages and rates applicable to any land on which they will have an interest in the insured crop. If numerous changes are made this complicates the administration of the insurance program and some producers may not understand the coverage or premium rate applicable to their land.

The regulations provide that land can be declared unclassified in any year. The committee should make a careful review each year and declare unclassified any land the insuring of which would be detrimental to a sound insurance program. As in the case of revisions in area determination, changes in the designation of unclassified land should be called to the attention of insured producers.

Since insured producers must be notified of any changes in coverages, premium rates or designation of unclassified land it is necessary that such revisions be completed and submitted to the State Director at least 45 days prior to the cancellation date. The committee should plan the work so that it is completed by this date.

Revisions on Crop Insurance Maps (FCI-33-) other than designating unclassified land should be limited to those cases where gross inequities have resulted in establishing coverage and premium rate areas. Under no circumstances shall revisions be made in area determinations because of farm reconstitutions. The primary basis for revisions in area coverages or area premium rates must be that a sound and equitable insurance program cannot be carried out unless such revisions are made.

The county committee shall review the actuarial basis for insurance for the prior year to determine if any revisions are necessary. The review should include a study of previous experience, (Maps of Crop Insurance Experience) the State Crop Insurance Director will return these maps to the county for this purpose, areas as outlined on the Crop Insurance Maps (FCI-33-), coverages and premium rates established for each area, etc. If it appears that there is sufficient need and justification for revisions in certain area determinations, the Committee shall prepare a statement of facts, specifying the reasons for such revisions, and forward it to the State Director for his review and recommendation. If changes are contemplated on the Crop Insurance Maps (FCI-33-) there shall be included with the statement a list of new maps needed for the revisions. (If photo indexes or photo enlargements are used give photo negative numbers of maps needed.)



In no case shall any change be made on any of the Crop Insurance Maps (FCI-33-) in effect for the previous year(s) as these are permanent records of the bases of insurance for such year(s). In each instance where a revision(s) is to be made on any map, the county committee shall prepare a new Crop Insurance Map to reflect such revision(s). Each such map will be stamped and identified by the State Director as applicable to the first year to which it applies. The Crop Insurance Maps for the prior year for which a new map is prepared will be voided by the State Director stamping each such map and indicating thereon that it is not applicable to succeeding crop years. These voided maps shall be separated from the acceptable unrevised maps and placed in a different file, identified as " (year) Crop Insurance Maps (FCI-33-) voided for (year) and Succeeding Crop Years."

After the revised maps have been approved, photocopied and returned to the county office such maps shall be filed in their proper order with the unrevised maps. The unrevised maps will be identified as applicable to the next succeeding program by the State Crop Insurance Director stamping each such map and indicating thereon the Corporation's approval for the applicable crop year. If any change is made in area coverages, area premium rates, area boundaries or designation of unclassified land in counties where continuous contracts are in effect, the county committee shall consult with the State Crop Insurance Director concerning the manner in which insured producers in the county shall be advised of such changes.

2. Preparation of FCI-34- and FCI-35-.

New forms FCI-34- and FCI-35 shall be prepared each year. Detailed instructions for the preparation of these forms will be issued as a supplement to the procedure for each commodity.

B. COUNTIES ESTABLISHING THE AREA PLAN FOR THE FIRST TIME.

In counties where areas will be established for the first time it will be necessary for the county committee to make the following recommendations:

- (1) the number of areas applicable to the county, (2) the difference in coverage and premium rate between areas, (3) the extent of land in each area and (4) the land to be designated as unclassified.

1. Number of Areas Applicable to the County.

An area will be all the land in the county for which the same coverage and premium rate is established. It may consist of one contiguous tract or several separated tracts. No limitation will be placed on the size of an area but it shall be as small as needed to reflect properly, differences in productivity or risk of growing the crop.

Areas shall be established to reflect differences in crop productivity or differences in the risk of growing the crop. The number of areas needed will depend to a large extent upon the variation in productivity between different land areas in the county. A sufficient number of areas should be established so that the variation in productivity between areas can be properly reflected in the amount of coverage offered in the various areas.



Generally more areas are needed if the coverage is a relatively high percentage of the county average yield than if the coverage is a low percentage of the average yield. Additional areas will also be necessary to place the proper premium rate on tracts of land that vary in risk of loss.

- a. Numbering Areas. A code number shall be assigned to identify each area. In assigning area numbers for the different areas of the county, the area having the lowest coverage shall be assigned number 1. If two or more areas have the same coverage but varying premium rates, the area with the lowest rate shall be assigned the lowest number.

Example:

Commodity Insurance

Area 1	Coverage	400 lbs.	Premium Rate	22 lbs.
Area 2	Coverage	400 lbs.	Premium Rate	30 lbs.
Area 3	Coverage	475 lbs.	Premium Rate	22 lbs.

Monetary Insurance

Area 1	Coverage	\$12.00	Premium Rate	\$ .90
Area 2	Coverage	\$12.00	Premium Rate	\$1.50
Area 3	Coverage	\$16.00	Premium Rate	\$ .90

2. Variation in coverage and Premium rate between areas.

The variation in coverages and premium rate between areas should reflect the difference in the productivity or the risk of growing the crop in the various areas. Often there is a tendency to make small or insignificant differences in the coverage or premium rates between areas. If the difference between the areas is so small as to make little difference in the coverage or premium rate the land should generally be included in one area.

The amount of variation between areas will depend somewhat upon the topography of land or variation of soil types in the county. For example in some counties one side of the county may be considerably more productive than the other side but yet no sharp break occurs at any place in the county. In such cases there should be several areas with relatively small variation in coverage between areas. Where sharp breaks occur in productivity or risk of loss such land shall be included in separate areas with sufficient difference in the coverage or premium rate to properly reflect such variation.

Special consideration should be given to establishing premium rates for land subject to specific hazards, (example flood), not generally applicable to all land in the county. In such cases the additional rate such land should carry can be calculated on the basis of the frequency with which a loss may be expected from such hazard. It is important that the extra premium rate in such areas be sufficient to carry the risk of the specific hazard.

3. Extent of Land in Each Area.

The determination of the extent of land in each area is a matter of



evaluating the normal production and potential risk in growing the crop in the various areas. This, however, is a very important part in developing the actuarial data for the county since the areas are closely scrutinized by producers in the county. Producers usually want to know definite reasons why their coverage or premium rate varies from their neighbors. It is, therefore, important that all available information be considered in making these determinations such as crop yield data, "Maps of Crop Insurance Experience" if insurance was previously offered in the county, topography maps, soil maps, land use maps, specific hazards affecting certain areas, etc. No land should be included in the area for which the coverage would exceed 75% of the recorded or appraised average yield. (For Monetary Insurance the dollar coverage shall be divided by the fixed price to make this determination.)

4. Land to be designated as Unclassified:

The extent of land to be designated as unclassified shall be determined considering factors outlined in Section II B. Such land shall be outlined on the Crop Insurance Map (FCI-33-) and identified by drawing diagonal lines across the area.

5. Preparation of Crop Insurance Map. (FCI-33-).

a. Tentative area boundaries and numbers.

Area boundary lines should generally follow natural boundaries, such as roads, streams, fence lines or farm boundaries, and should not divide fields unless there is a distinct variation in topography of the land or in soil types.

Area boundary lines and area numbers should first be tentatively entered with a soft wax pencil on the Crop Insurance Map (FCI-33-). Likewise unclassified land will be tentatively entered and identified. Area lines, unclassified land and tentative coverages and premium rates assigned to each area should be carefully reviewed before permanent area lines are entered. Also Form FCI-34- should be prepared to determine that the average coverage for all areas is not in excess of the county average coverage and that the average premium rate for all areas equals the county average premium rate.

b. Permanent Area Boundaries and Numbers.

After the tentative area boundaries, unclassified land, area coverages and premium rates have been approved by the State Crop Insurance Director or his representative permanent area boundaries, area numbers, etc., shall be entered. Area boundary lines, area numbers and lines identifying unclassified land should be inked in with red ink. The boundary lines should be fairly heavy so that they will be distinct when photocopied. A number 3 or 4 speed-ball ruling pen is recommended for entering the boundary lines. Also the lines shall be identified by "x" marks as follows -x-x-x-x-x-x. Area numbers shall be entered in a small block 

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 placed near the center of the area with



identifying lines extending to the area boundary line.

Each map shall be identified by placing the name of the county and state in the lower left hand corner.

- c. Forms FCI-34- and FCI-35-. Detailed instructions for the preparation of FCI-34- and FCI-35- will be issued as a supplement to this procedure for each commodity.

#### SECTION IV. TRANSMITTAL OF FORMS FCI-33-; FCI-34-, FCI-35-

##### A. COUNTIES MAKING NO REVISIONS ON CROP INSURANCE MAPS

The original typed copies of Forms FCI-34 and 35 and maps of Crop Insurance Experience shall be forwarded to the State Crop Insurance Director for the Corporation's approval. After Forms FCI-34 and 35 have been reproduced the original and additional copies will be returned to the county office.

##### B. COUNTIES MAKING REVISIONS ON CROP INSURANCE MAPS

Forms FCI-33 (only maps prepared to replace maps of the previous year affected by revisions) and the original typed copies of FCI-34 and 35 shall be forwarded to the State Crop Insurance Director for the Corporation's approval. After these forms have been reproduced, the originals and additional copies will be returned to the county office.

##### C. COUNTIES ESTABLISHING AREA COVERAGES AND PREMIUM RATES FOR THE FIRST TIME.

Forms FCI-33, the original typed copies of FCI-34 and 35, and the maps of crop insurance experience shall be forwarded to the State Crop Insurance Director for the Corporation's approval. After the forms have been reproduced, the originals and additional copies will be returned to the county office.

#### SECTION V. MAP OF CROP INSURANCE EXPERIENCE

In order to have a record of the location of insurance business in the county, the county committee shall prepare and keep current at all times during the sales campaign a map showing the approximate location of land covered by each application. A photocopy of form FCI-33 is recommended for this purpose except when FCI-33- is prepared on photo enlargements. When FCI-33- is prepared on photo enlargements, a photo index map, engineer's map or any kind of outline map of the county showing major roads, streams, towns, etc., may be used. It is advisable to outline the areas on this map to determine areas covered by insurance.

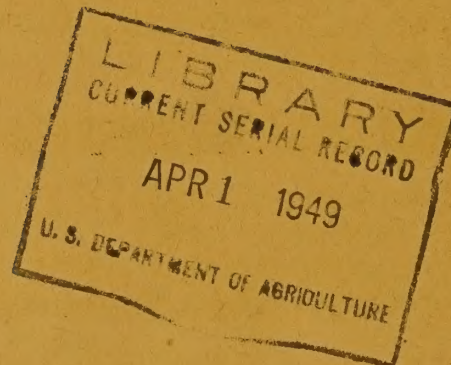
In counties with continuous contracts, the land covered by each contract carried over from the prior year shall be identified on the map by placing a dot (.) at the approximate location of such land.

As applications are received during the sales campaign, the land covered by each application shall likewise be identified. Land covered by two or more applications need be identified only once, however, if there are several tenants or sharecroppers having applications on the same land the number of applications on such tract of land shall be entered near the dot.



This map should be retained in the county office after the sales campaign as it will become the "Map of Crop Insurance Experience" for the year in which prepared. It will be labeled "Map of \_\_\_\_\_ (crop) Crop Insurance for \_\_\_\_\_ (year)."

Land on which an indemnity is paid shall be identified on the map by encircling the dot representing the location of land covered by the application when a notice is received in the county office indicating a loss has been paid. After all losses have been paid in the county, the map shall be forwarded to the State Crop Insurance Director for filing.





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FCI COUNTY PROCEDURE MANUAL  
PART I - COUNTY ACTUARIAL PROCEDURE

SUPPLEMENT NUMBER 1 (FLAX)

Applicable to the 1950 Crop Year

(The above Manual is supplemented by adding the following section)

SECTION VI - PREPARATION OF FORMS FCI-34-F and FCI-35-F

The procedure outlined in this section supplements the procedure in Section III of Part I, County Actuarial Procedure, FCI County Procedure Manual with respect to the preparation of Forms FCI-34-F and FCI-35-F. Subsection A of this Section VI is applicable only to those counties in which the area determinations and designations of unclassified land on the 1949 Crop Insurance Map are to remain unchanged for the 1950 crop year. Subsection B of this Section VI is applicable to all other counties.

A. COUNTIES MAKING NO REVISIONS IN AREA DETERMINATIONS OR DESIGNATION OF UNCLASSIFIED LAND ON THE 1949 CROP INSURANCE MAP (FCI-33-F) FOR USE IN 1950

1. Form FCI-34-F shall be prepared as follows:

Type in the heading the names of the State and county and 1950 for the program year.

The entries for column 2 to 8, inclusive, "unclassified farmland-crop-land," "maximum coverage for county", "minimum premium rate for county" and "Form FCI-33-F sheets numbered - " shall be transcribed unchanged from Form FCI-34-F prepared for 1949.

INELIGIBLE PRODUCERS. Enter in the space provided at the bottom of the form the number of ineligible producers in the county for 1950. This entry shall be obtained by making an item account of the names appearing on the prepared list of ineligible producers for 1950.

This Form FCI-34-F shall be signed and dated in the spaces provided by a member of the county committee.

2. Form FCI-35-F shall be prepared as follows:

The entries for columns 2 to 5, inclusive, shall be transcribed unchanged from Form FCI-35-F prepared for 1949.

This Form FCI-35-F shall be signed and dated in the spaces provided by a member of the county committee.

B. COUNTIES ESTABLISHING THE AREA PLAN FOR THE FIRST TIME, AND COUNTY REVISING 1949 AREA DETERMINATIONS OR DESIGNATIONS OF UNCLASSIFIED LAND FOR USE IN 1950

1. Form FCI-34-F shall be prepared as follows:



Preliminary calculations on this form may be made in pencil; however, the final form shall be typewritten.

Enter in the heading of Form FCI-34-F the names of the State and county, 1950 for the program year.

The minimum difference in coverages between areas shall be 1.0 bushel, except that in those counties where the county average coverage is 5.0 bushels or less, the minimum difference may be .5 bushel.

A maximum decrease of 25 percent below the county average premium rate may be made for the low risk area within the county. The minimum difference in premium rates between areas shall be .1 bushel.

The acres for weighting in columns 2 and 3 of Form 34-F shall be either the 1945 seeded acres, seeded acres for any other recent year, the farmland or the cropland.

Column 1. This column is complete and shall not be altered.

Column 2. Enter in this column the number of acres for weighting of insurable land within each area. This acreage shall represent the closest possible summation of the acres for weighting in each section of land within the area. The acres for weighting in counties which do not have "sections" and "townships" may be determined by using a 10 percent sample of the aerial photo enlargements of the county. Since individual photo numbers appear on the aerial index map, this map may be used to determine the sample photo enlargements by selecting every tenth photo. If acreage figures have been entered on the aerial photo enlargements now in the county office such acreages may be used for determining the acres for weighting.

Column 3. Enter in this column, for each insurable area, the acres for weighting of unclassified land which is of comparable productivity to that of insurable land. Any acres for weighting of unclassified land where the indicated coverage for such land is below the coverage for the lowest insurable area in the county shall be entered at the bottom of this column opposite the word "unclassified" as shown in column 1.

Column 4. Enter in this column for each area the sum of the entries in columns 2 and 3.

Column 5. Enter in this column the coverage (harvested stage) for each area as previously determined. These coverages shall be expressed to tenths of bushels. The coverage for unclassified land at the bottom of this column, because of its low productivity, will be lower than the coverage established for the lowest insurable area in the county.

Column 6. Enter in this column the product of the entries in columns 4 and 5.

Column 7. Enter in this column the applicable premium rate for each insurable area within the county. These area premium rates shall be expressed to tenths of bushels.



Column 8. Enter in this column the product of the entries in Columns 2 and 7.

Column Totals. Columns 2, 3, 4, 6 and 8 shall be totaled and each total entered in the respective column on the line provided for such totals.

Unclassified Farmland-Cropland. Enter in the space provided at the bottom of the form the estimated acres of cropland or farmland that has been designated as unclassified and delete the inapplicable word.

Ineligible Producers. Enter in the space provided at the bottom of the form the number of producers in the county who have been designated ineligible for flax crop insurance under the 1950 program.

Maximum Coverage for County. Enter in the spaces provided at the bottom of the form (1) acres for weighting which must agree with the total entered in column 4, (2) county average coverage per acre which shall be furnished by the Corporation from the Table of County Average Coverages and County Average Premium Rates for 1950, and (3) total coverage for county which shall be the product of the entries for items (1) and (2) above. Enter within the parentheses below "acres for weighting" in identification of the acreage used, such as 1945 seeded acres, cropland or farmland. If it is found by using the coverages in column 5 that the total of coverage extensions in column 6 exceeds the "total coverage for the county," it will then be necessary to adjust the coverages so that the total of coverage extensions does not exceed the "total coverage for the county."

Minimum Premium for County. Enter in the spaces provided at the bottom of the form (1) acres for weighting which must agree with the total entered in column 2, (2) county average premium rate per acre which shall be furnished by the Corporation from the Table of County Average Coverages and County Average Premium Rates for 1950 and (3) total premium for the county which shall be the product of the entries for items (1) and (2) above. If it is found by using the tentative premium rates in column 7 that the total of the rate extension is less than the "total premium for the county," it will be necessary to adjust the rates so that the total of rate extensions entered in column 8 is not less than the "total premium for the county."

Sheet Numbers of Forms FCI-33-F. Enter in the spaces provided at the bottom of the form the inclusive sheet numbers of Forms FCI-33-F which represent the entire land area of the county.

This form FCI-34-F shall be signed and dated in the spaces provided by a member of the county committee.

2. Form FCI-35-F shall be prepared as follows:

Form FCI-35-F, "County Actuarial Table" shall be used to record the coverage and premium rate applicable to each area. All entries on this form shall be typewritten. Form FCI-35-F shall constitute the official table of coverages and premium rates for the county. Enter in the heading of the form, the names of the State and county.



The rule of rounding set forth in Section I-D of the County Procedure Manual (Part 1) shall be followed in making the calculations on this form.

Column 1. This column is complete and shall not be altered.

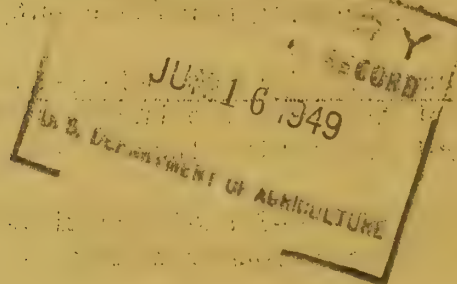
Column 5. Enter in this column the applicable premium rate for each insurable area in the county. These area premium-rates shall be transcribed from column 7 of Form FCI-34-F prepared for the 1950 program.

Column 4. Enter in this column the applicable (harvested) coverage for each area. These coverages shall be transcribed from column 5 of Form FCI-34-F which was prepared for the 1950 program.

Column 3. Enter in this column 90 percent of the entry shown in column 4 of this Form FCI-35-F. (Round to the nearest .1 of a bushel.)

Column 2. Enter in this column 50 percent of the entry shown in column 4 of this Form FCI-35-F. (Round to the nearest .1 of a bushel.)

This form FCI-35-F shall be signed and dated in the spaces provided by a member of the county committee.





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FCI COUNTY PROCEDURE MANUAL  
PART I - COUNTY ACTUARIAL PROCEDURE

SUPPLEMENT NUMBER 1 (WHEAT)

Applicable to the 1950 Crop Year

(The above Manual is supplemented by adding the following section)

SECTION VI - PREPARATION OF FORMS FCI-34-W AND FCI-35-W

The procedure outlined in this section supplements the procedure in Section III of Part I, County Actuarial Procedure, FCI County Procedure Manual with respect to the preparation of Forms FCI-34-W and FCI-35-W. Subsection A of this Section VI is applicable only to those counties in which the area determinations and designations of unclassified land on the 1949 Crop Insurance Map are to remain unchanged for the 1950 crop year. Subsection B of this Section VI is applicable to all other counties.

A. COUNTIES MAKING NO REVISIONS IN AREA DETERMINATIONS OR DESIGNATIONS OF UNCLASSIFIED LAND ON THE 1949 CROP INSURANCE MAP (FCI-33-W) FOR USE IN 1950.

1. Form FCI-34-W shall be prepared as follows:

Separate Forms FCI-34-W shall be prepared for each practice for which a Form FCI-34-W was prepared for 1949.

Type in the heading the names of the State and county, 1950 for the program year, and the words "Monetary Coverage" or "Commodity Coverage", whichever is applicable, for the type of insurance.

The entries for columns 2 to 8, inclusive, "unclassified farmland-cropland", "maximum coverage for county", "minimum premium rate for county" and "Form FCI-33-W sheets numbered - " shall be transcribed unchanged from Form FCI-34-W prepared for 1949.

INELIGIBLE PRODUCERS. Enter in the space provided at the bottom of the form the number of ineligible producers in the county for 1950. This entry shall be obtained by making an item count of the names appearing on the prepared list of ineligible producers for 1950.

This Form FCI-34-W shall be signed and dated in the spaces provided by a member of the county committee.

2. Form FCI-35-W shall be prepared as follows:

Separate Forms FCI-35-W shall be prepared for each practice for which a Form FCI-35-W was prepared for 1949.

Type in the heading the names of the state and county, and the practice (i.e. general, summerfallow, etc.).



The entries for columns 2 to 5, inclusive, shall be transcribed unchanged from Form FCI-35-W prepared for 1949.

This Form FCI-35-W shall be signed and dated in the spaces provided by a member of the county committee.

B. COUNTIES ESTABLISHING THE AREA PLAN FOR THE FIRST TIME, AND COUNTIES RE-VISING 1949 AREA DETERMINATIONS OR DESIGNATIONS OF UNCLASSIFIED LAND FOR USE IN 1950.

1. Form FCI-34-W shall be prepared as follows:

Preliminary calculations on this form may be made in pencil; however, the final form shall be typewritten.

In counties where area coverages and premium rates are established for different practices, it will be necessary to execute separate Forms FCI-34-W for each practice. The name of the practice shall be typed in the heading of the form.

Enter in the heading of Form FCI-34-W the names of the state and county, 1950 for the Program year and the words "Commodity Coverage" or "Monetary Coverage", whichever is applicable, for the type of insurance. Enter in the heading of columns 5 and 7, in parentheses, the abbreviations "Bu." or "Dols.", whichever is applicable.

For Commodity Coverage Insurance counties the minimum difference in coverages between areas shall be 1.0 bushel, except that in those counties where the county average coverage or the coverage for a certain practice is 5.0 bushels or less, the minimum difference may be .5 bushel. For Monetary Coverage Insurance counties the minimum difference in coverages between areas shall be 1.00.

A maximum decrease of 25 percent below the county average premium rate may be made for the low risk area within the county. The minimum difference in premium rates between areas shall be .1 bushel for Commodity Coverage Insurance counties and 0.15 for Monetary Coverage Insurance counties. The premium rates for Monetary Coverage insurance in all areas must be expressed in multiples of five cents. For example: .70 or .85.

The acres for weighting in columns 2 and 3 of Form 34-W shall be either in 1942 wheat allotment, the usual acres, the farmland or the cropland.

Column 1. This column is complete and shall not be altered.

Column 2. Enter in this column the number of acres for weighting of insurable land within each area. This acreage shall represent the closest possible summation of the acres for weighting in each section of land within the area. The acres for weighting in counties which do



not have "sections" and "townships" may be determined by using a 10 percent sample of the aerial photo enlargements of the county. Since individual photo numbers appear on the aerial index map, this map may be used to determine the sample photo enlargements by selecting every tenth photo. If acreage figures have been entered on the aerial photo enlargements now in the county office such acreages may be used for determining the acres for weighting.

Column 3. Enter in this column, for each insurable area, the acres for weighting of unclassified land falling therein which is of comparable productivity to that of insurable land. Any acres for weighting of unclassified land where the indicated coverage for such land is below the coverage for the lowest insurable area in the county shall be entered at the bottom of this column opposite the word "unclassified" as shown in column 1. In those counties where farmland or cropland is used as the acres for weighting, the acres for weighting on land identified as "unclassified" shall be only the farmland or cropland for farms on which 1942 allotments or usual acres were established.

Column 4. Enter in this column for each area the sum of the entries in columns 2 and 3.

Column 5. Enter in this column the coverage (harvested stage) for each area as previously determined. These coverages shall be expressed to tenths of bushels for commodity coverage and in units of 10 cents for monetary coverage. The entry for "unclassified land" at the bottom of this column shall be the coverage determined only for that farmland or cropland for which 1942 allotments or usual acres were established. The coverage for such land, because of its low productivity, will be lower than the coverage established for the lowest insurable area in the county.

Column 6. Enter in this column the product of the entries in columns 4 and 5.

Column 7. Enter in this column the applicable premium rate for each insurable area within the county. (These area premium rates shall be expressed in multiples of 5 cents for monetary coverage insurance and to tenths of bushels for commodity coverage insurance.)

Column 8. Enter in this column the product of the entries in Columns 2 and 7.

Column Totals. Columns 2, 3, 4, 6 and 8 shall be totaled and each total entered in the respective column on the line provided for such totals.

Unclassified Farmland-Cropland. Enter in the space provided at the bottom of the form the estimated acres of cropland or farmland that has been designated as unclassified and delete the inapplicable word.



Ineligible Producers. Enter in the space provided at the bottom of the form the number of producers in the county who have been designated ineligible for wheat crop insurance under the 1950 program.

Maximum Coverage for County. Enter in the spaces provided at the bottom of the form (1) acres for weighting which must agree with the total entered in column 4, (2) county average coverage per acre which shall be furnished by the Corporation from the Table of County Average Coverages and County Average Premium Rates for 1950, and (3) total coverage for county which shall be obtained by computing the product of the entries for items (1) and (2) above. Enter within the parentheses below "acres for weighting" an identification of the acreage used, such as 1942 allotment, usual acres, cropland or farmland. If it is found by using the coverages in column 5 that the total of coverage extensions in column 6 exceeds the "total coverage for the county," it will then be necessary to adjust the coverages so that the total of coverage extensions does not exceed the "total coverage for the county."

Minimum Premium for County. Enter in the spaces provided at the bottom of the form (1) acres for weighting which must agree with the total entered in Column 2, (2) county average premium rate per acre which shall be furnished by the Corporation from the Table of County Average Coverages and County Average Premium Rates for 1950 and (3) total premium for the county which shall be obtained by computing the product of the entries for items (1) and (2) above. If it is found by using the tentative premium rates in column 7 that the total of the rate extension is less than the "total premium for the county," it will be necessary to adjust the rates so that the total of rate extensions entered in column 8 is not less than the "total premium for the county."

Sheet Numbers of Forms FCI-33-W. Enter in the spaces provided at the bottom of the form the inclusive sheet numbers of Forms FCI-33-W which represents the entire land area of the county.

This form FCI-34-W shall be signed and dated in the spaces provided by a member of the county committee.

2. Form FCI-35-W shall be prepared as follows:

Form FCI-35-W, "County Actuarial Table" shall be used to record the coverage and premium rate applicable to each area. All entries on this form shall be typewritten. Form FCI-35-W shall constitute the official table of coverages and premium rates for the county. In the counties where area coverages and rates are established for different practices, it will be necessary to prepare separate Forms FCI-35-W for each practice. Enter in the heading of the form, the names of the state and county and the practice (i.e. general, summerfallow, etc.). If insurance will not be offered on a practice in a certain area, columns 2 to 5, inclusive, for such area shall be identified with the word "N-O-N-I-N-S-U-R-A-B-L-E" typed therein.



The rule of rounding set forth in Section I-D of the County Procedure Manual (Part 1) shall be followed in making the calculations on this form.

Column 1. This column is complete and shall not be altered.

Column 5. Enter in this column the applicable premium rate for each insurable area in the county. These area premium rates shall be transcribed from column 7 of Form FCI-34-W prepared for the 1950 program.

Column 4. Enter in this column the applicable (harvested) coverage for each area. These coverages shall be transcribed from column 5 of Form FCI-34-W which was prepared for the 1950 program.

Column 3. For Commodity Coverage. Enter in this column 90 percent of the entry shown in column 4 of this Form FCI-35-W. (Round to the nearest .1 of a bushel.)

For Monetary Coverage. Enter in this column the amount obtained by subtracting \$1.60 from the entry shown in column 4 of this form FCI-35-W.

Column 2. Enter in this column 50 percent of the entry shown in column 4 of this Form FCI-35-W. (For commodity coverage round to the nearest .1 of a bushel and for monetary coverage round to the nearest 10 cents.)

This form FCI-25-W shall be signed and dated in the spaces provided by a member of the county committee.



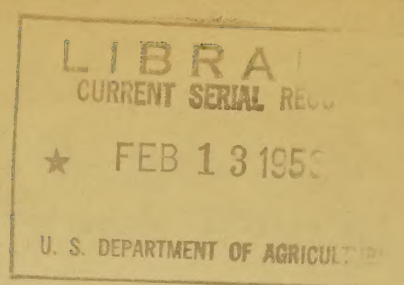
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Part I - County Actuarial Procedure  
Supplement Number 1

Issued January 21, 1953



FCI COUNTY PROCEDURE MANUAL

PART I. COUNTY ACTUARIAL PROCEDURE

(Section IV and Section V of the above procedure as revised April 1, 1952, are revised as follows:)

SECTION IV. TRANSMITTAL OF FORMS FCI-33, FCI-34 AND FCI-35

A. COUNTIES MAKING NO REVISIONS ON CROP INSURANCE MAPS

The original typed copies of Forms FCI-33-Supplement 1 (when a new supplement is prepared), FCI-34 and FCI-35 shall be forwarded to the State Crop Insurance Director for the Corporation's approval. After Forms FCI-33-Supplement 1, FCI-34 and FCI-35 have been reproduced, the original copies, except in counties using photo indexes or enlargements, will be filed in the state office and the required number of photostatic copies furnished the county offices. In counties using photo indexes or enlargements, the originals and the required additional copies of Forms FCI-33-Supplement 1, FCI-34 and FCI-35 will be returned to the county office.

B. COUNTIES MAKING REVISIONS ON CROP INSURANCE MAPS

Forms FCI-33 prepared to replace voided maps, Forms FCI-33-Supplement 1, if prepared, and the original typed copies of Forms FCI-34 and FCI-35 shall be forwarded to the State Crop Insurance Director for the Corporation's approval. After these forms have been reproduced the original copies, except in counties using photo indexes or enlargements, will be retained in the state office and the required number of photostatic copies furnished the county office. For those counties using photo indexes or enlargements, the originals of Forms FCI-33, FCI-33-Supplement 1, FCI-34 and FCI-35 will be returned to the county office.

C. COUNTIES ESTABLISHING AREA COVERAGES AND PREMIUM RATES FOR THE FIRST TIME

Forms FCI-33, FCI-33-Supplement 1, the original typed copies of FCI-34 and FCI-35 shall be forwarded to the State Crop Insurance Director for the Corporation's approval. After these forms have been reproduced the original copies, except in counties using photo indexes or enlargements, will be retained in the state office and the required number of photostatic copies furnished the county office. For those counties using photo indexes or enlargements; the originals of Forms FCI-33-Supplement 1, FCI-33, FCI-34 and FCI-35 will be returned to the county office.



D. FILING OF FORMS FCI-33, FCI-33-SUPPLEMENT 1, FCI-34 AND FCI-35 FOR PRIOR YEARS

All original copies of Forms FCI-33, FCI-33-Supplement 1, FCI-34 and FCI-35 now in effect or in effect for prior years, except for counties using photo indexes or enlargements, shall be forwarded to the state director for filing in that office. In counties where area maps have been prepared on photo indexes or enlargements all original copies of Forms FCI-33, FCI-33 Supplement 1, FCI-34 and FCI-35 now in effect or in effect for prior years, will be retained in the county office.

SECTION V. MAP OF CROP INSURANCE EXPERIENCE

In order to have a record of the location of insurance participation and losses in the county, the county committee shall prepare each year a Map of Crop Insurance Experience showing the approximate location of each unit insured and of each unit on which an indemnity is paid. Such a map shall be prepared for each year the insurance program was in effect in the county since 1945. For years prior to 1948, plotting on a sample basis may be done if at least 500 farms were insured, in which case the sample shall contain at least 250 farms. If a sample is used the same farms should be used in plotting indemnified and insured farms. A positive (white) photocopy of Form FCI-33 shall be used for this purpose except where its use is impracticable, such as where photo enlargements and photo indexes are used.

In counties where a photocopy of the Forms FCI-33 cannot be used for the experience map, an engineer's map, or any kind of outline map of the county showing major roads, streams, towns, etc. may be used. In such cases, the areas as established on the Form FCI-33 must be outlined on this map. (In some counties where a number of small areas have been delineated this may not be practicable. In such cases, arrangements must be made with the state director to prepare a satisfactory map.) Photocopies of this map, to be used in preparing experience maps in future years, may be obtained from the State Crop Insurance Director. (This will eliminate the necessity of securing such a map and entering the area boundaries each year.) It will be necessary that these photocopies be ordered early enough that they will be available in the county office before the processing of acreage reports.

When acreage reports are processed in the county office an "x" shall be entered on the Map of Crop Insurance Experience at the approximate location of each insurance unit. Where there is coding similar to an "x" on the map, another appropriate symbol may be substituted therefor. In cases where the farm operator's contract covers the interest of his sharecroppers, one "x" or other appropriate symbol, and the number of units entered will be satisfactory.

The map shall be labeled "Map of (Crop) Crop Insurance for (Year) " and retained in the county office until payment of losses is completed. When a notice is received in the county office indicating a loss has been paid on a unit, the "x", or other appropriate symbol, representing such unit shall be encircled. In cases where the farm operator's contract covers the interest of his sharecroppers, encircle the number of units having a loss. After all losses have been paid in the county, the map shall be forwarded to the State Crop Insurance Director. The original will be retained by the state director and a photocopy returned to the county office.